Educating migrant women in finance

FOREIGN maids here toil for hours every day and often send almost every cent they earn to sustain families back home.

Many have no clue how the money is spent - or whether it is misspent. And often, even though they have worked for years, they do not have any savings of their own.

A research project that kicks off next month aims to change that. Led by Assistant Professor Rashmi Barua of Singapore Management University (SMU), it will study the effectiveness of financial education on foreign maids.

A preliminary survey of about 130 Filipino maids showed nearly 40 per cent had no savings despite working for 10 years on average. Another 30 per cent said they were dissatisfied with their savings. Most had at least a high school diploma and earned about $370 a month.

More than 70 per cent said they disagreed with their families on how their money was spent at home.

For instance, while many of the women wanted their remittances to be used to pay for "useful" things such as education, their families often squandered the money on entertainment.

Her research, says Dr Barua, aims to find out how to improve the "economic well-being" of these low-income migrant women.

"Financial planning is complicated even for the rich," says the 30-year-old who specialises in labour and education economics. "For the poor, it is tougher still."

Dr Barua will lead a research study beginning next month to find out the effectiveness of financial education on foreign maids. ST PHOTO: DESMOND FOO